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EX PARTE OR LATE FILED

November 6, 1998

JONATHAN E. CANIS
DIRECT LINE (202) 955-9664
E-MAIL: jcanis@kelleydrye.com

Magalie R. Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Notification of Ex Parte Presentation
Intermedia Communications Inc.
Deployment of Wireline Services Offering Advanced Telecommunications Capabilities: CC Docket No. 98-147

Dear Ms. Salas:

Pursuant to §§ 1.1206(b)(1)&(2) of the Commission's Rules, Intermedia Communications Inc. ("Intermedia") provides notice of an oral *ex parte* presentation related to the above-captioned docketed proceedings on November 5, 1998. The presentations were made by Ms. Heather Gold of Intermedia and Mr. Jonathan Canis of Kelley, Drye & Warren. The presentations were made to the following members of the Federal Communications Commission ("FCC"):

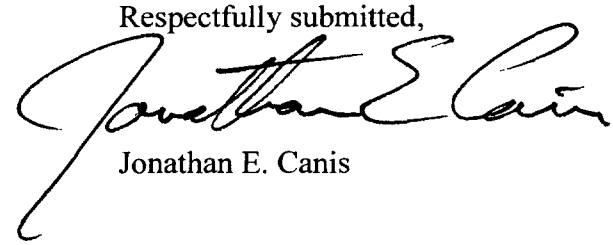
Jonathan Askin, FCC Policy
Jason Oxman, FCC Policy
Stagg Newman, FCC Office of Engineering and Technology

During the presentation, the parties discussed a variety of issues related to the interconnection of CLEC and ILEC networks. Specifically, the parties discussed including Commission-established standards for collocation and unbundled network elements, and proposed the adoption of several State regulations and policies as national standards. As part of the presentation, Intermedia circulated various materials, including State regulatory orders and

excerpts from transcripts of State regulatory proceedings, a copy of which is appended to this filing.

Pursuant to 1.1206(b)(1)&(2), Intermedia submits an original and one (1) copy of this oral *ex parte* notification and appended materials for inclusion in the public record of the above-referenced proceeding. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,



Jonathan E. Canis

cc w/o encl.: Jonathan Askin, FCC Policy
Jason Oxman, FCC Policy
Stagg Newman, FCC Office of Engineering and Technology
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INTERMEDIA COMMUNICATIONS INC.

EX PARTE PRESENTATION IN CC DOCKET NO. 98-147

November 5, 1998

Heather Gold

Vice President, Regulatory and External Affairs

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Jon Canis

Kelley Drye & Warren

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RECENT COLLOCATION DECISIONS IN NEW YORK

- 11/4 NOTICE THAT NYPSC WILL ORDER:
  - SECURED CAGELESS OPEN PHYSICAL COLLOCATION ("SCOPE")
    - CAGELESS COLLOCATION IN SEGREGATED SPACE WITHIN CENTRAL OFFICE
  - VIRTUAL COLLOCATION WITH ESCORT
    - AVAILABLE WHERE SPACE IS EXHAUSTED FOR SCOPE OR 25 SQ.FT. CAGES

RECENT COLLOCATION DECISIONS IN GEORGIA

- REQUIRES PRO-RATION OF SPACE PREPARATION CHARGES
- PRESCRIBES MAXIMUM SPACE PREPARATION CHARGE OF $100 PER SQUARE FOOT
- RECOMMENDED FOR ADOPTION AS BEST PRACTICES STANDARD

THE NEED TO PREEMPT ILEC LIMITS ON CROSS-CONNECTS

- BELL ATLANTIC NORTH REQUIRES COLLOCATED CLECs TO PURCHASE TARIFFED SERVICE TO CROSS-CONNECT TO EACH OTHER
- BELLSOUTH WILL NOT ALLOW COLLOCATED CLECs TO DO THEIR OWN CROSS-CONNECTS
- IMPOSES UNREASONABLE COST AND DELAY; NO TECHNICAL REASON

THE NEED TO DEFINE EXTENDED LOOP AS A UNE

- IF 8TH CIRCUIT DECISION IS UPHELD BY SUPREME COURT, CLECs WILL BE UNABLE TO USE UNEs EFFECTIVELY
- ILECs LABEL CROSS-CONNECTS AS UNEs, AND COULD REFUSE TO CONNECT THEM TO LOOPS
- 8TH CIRCUIT HAS UPHELD FUNCTIONAL APPROACH TO UNEs

THE NEED TO PREEMPT RESTRICTIONS ON USE OF UNE

- BELL ATLANTIC NORTH HAS ATTEMPTED TO RESTRICT USE OF LOOPS AND OTHER UNEs
  - RESTRICTED TO LOCAL SERVICE ONLY, OR COMBINED LOCAL AND L.D.
    - LEADS TO IMPOSITION OF SPECIAL ACCESS SURCHARGE ON SPECIAL ACCESS LINES CONVERTED TO UNEs
  - RESTRICTED TO POTS, EXCLUDE DATA

THE NEED TO PREEMPT RESTRICTIONS ON TRANSPORT

- BELLSOUTH HAS STATED THAT TRANSPORT ONLY RUNS BETWEEN ILEC OFFICES
  - REFUSES TO MAKE IT AVAILABLE BETWEEN AN ILEC OFFICE AND A CLEC NODE
  - CONFLICTING POSITIONS OF INTERCONNECTION NEGOTIATORS AND WITNESSES IN 271 PROCEEDINGS

THE NEED TO FIX VIRTUAL COLLOCATION

- ELIMINATE RULES THAT FORCE CLECs TO TRANSFER TITLE
  - RELIC OF APPEAL OF OLD FCC RULES
- ALLOW CLECs TO USE ILEC-CERTIFIED CONTRACTORS TO MAINTAIN AND REPAIR EQUIPMENT
  - SWBT EXPRESSLY PROHIBITS
- ADOPT NEW YORK'S "COLLOCATION WITH ESCORT" AS A BEST PRACTICE

THE NEED TO PRESCRIBE "CLEAN COPPER" LOOPS

- WHILE ILECs LIST A VARIETY OF LOOPS IN SGATCs, "CLEAN COPPER" IS GENERALLY NOT AVAILABLE
  - BELLSOUTH "OFFERS" THESE LOOPS:
    - 56 kbps ADSL HDSL ISDN DS1
  - BUT WHEN ASKED FOR CONDITIONED 2- & 4-WIRE COPPER, INTERMEDIA WAS INFORMED THAT IT IS NOT AVAILABLE
    - INTERMEDIA WAS TOLD TO FILE A B.F.R.

THE NEED TO PRESCRIBE FRAME RELAY UNEs AND INTERCONNECTION

- RECENTLY, ILECs HAVE RENEGED ON F.R. INTERCONNECTION DEALS NEGOTIATED WITH INTERMEDIA
- MUST NOW ARBITRATE IN STATES
  - FRAME RELAY ACCESS LINE ("FRAL")
  - FRAME RELAY SWITCH PORTS
  - INTERCONNECTION ON A BILL & KEEP BASIS

STATE OF NEW YORK
Public Service Commission
Maureen O. Helmer, Chairman

Three Empire State Plaza, Albany, NY 12223

Further Details: (518) 474-7080
http://www.dps.state.ny.us
FOR RELEASE: IMMEDIATELY 98076/98C0690

PSC CONSIDERS METHODS FOR COMPETITORS OF BELL ATLANTIC TO COMBINE NEEDED LOCAL NETWORK ELEMENTS

Albany, NY -- 11/4/98 The New York State Public Service Commission today consider several plans that would allow companies seeking to compete with Bell Atlantic-New NYNEX/New York Telephone Company) to combine or bundle unbundled local telephone n elements purchased from Bell Atlantic-New York. The plans, which were proposed by York and some competitors, are the result of a commitment made by Bell Atlantic-Ne the Commission to further open its local telephone market to competition (commonly filing Statement of April 1998).

In its Pre-filing Statement with the Commission, Bell Atlantic-New York committed meeting a series of rigorous tests and conditions prior to seeking approval from t Commission (FCC) to provide long distance service in New York state under Section Telecommunications Act of 1996. Bell Atlantic-New York filed tariffs which incorp its Pre-filing Statement commitments. The Commission today directed certain modif some of which will become effective later this month, with other aspects of the ta a date to be set by the Commission if and when the company meets all of its obliga Statement. A determination on Bell Atlantics compliance with the Pre-filing State Chairman Maureen O. Helmer after the company files its application with the Federa Commission to offer long distance service.

To encourage further competition in local telephone service, it is essential that of wires and other facilities needed to complete telephone calls be available to c allows competitors to use them to serve their customers, Maureen O. Helmer, Chairm explained. Todays decision provides a menu of options to companies that wish to o combine them to improve their competitive position in the marketplace. This repre step in our ongoing process to determine Bell Atlantics compliance with the commit filing Statement.
-more-

In the past, the Commission unbundled or separated the local telephone network int components so that competitors can pay Bell Atlantic for using the companys indivi to build new networks, or expand existing ones, of their own. The Commission est of the components, including links (the wires between customers and their local ph ports (the entry point to the local switch itself). Todays action by the Commissi methods by which competitors can combine network elements they purchase from Bell and determines which are technically feasible and can meet market needs. These me less expensive installations or cages located inside Bell Atlantics offices to c interconnection equipment; the sharing of installations by more than one competito commonly referred to as SCOPE, in separate locations within Bell Atlantics offices cages, and; virtual collocation the placement of the competitors equipment along with competitor access to the equipment when escorted by Bell Atlantic representat

The Commission will issue a written opinion with respect to the plans by which loc service providers can combine Bell Atlantic-New York network elements. When avail obtained from the Commissions Files Office, 14th Floor, 3 Empire State Plaza, Alba 2500). Those with access to the internet may download a copy from the Commissions www.dps.state.ny.us where it will be located in the PSC File Room when it become public libraries offer free access to the internet.

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DOCKET NO. 6863-U

GEORGIA PUBLIC SERVICE COMMISSION
STAFF REPORT AND OPINION

In Re: BellSouth Telecommunications, Inc.'s Entry into InterLATA Services Pursuant to Section 271 of the Telecommunications Act of 1996

Accepted: October 6, 1998 Issued: October 15, 1998

APPEARANCES

For the Commission Staff:
Tiane L. Sommer, Special Assistant Attorney General
Nancy Gibson, Special Assistant Attorney General

On Behalf of Access Network Services, Inc.:
Allan C. Hubbard

On Behalf of American Communications Services, Inc. d/b/a e•spire Communications, Inc.:
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William E. Rice

On Behalf of Airtouch Cellular of Georgia:
Charles V. Gerkin, Jr.

On Behalf of ATA Communications, LLC:
Stephen C. Schwartz

On Behalf of AT&T Communications of the Southern States:
David M. Eppsteiner
James P. Lamoureaux

On Behalf of BellSouth Long Distance, Inc.:
James G. Harralson

On Behalf of BellSouth Telecommunications, Inc.:
Fred McCallum, Jr.
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Bennett L. Ross

On Behalf of Cable Television Association of Georgia:
John M. Stuckey, Jr.

On Behalf of Competitive Telecommunications Association:
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On Behalf of Consumer Federation of America:
Mark N. Cooper

On Behalf of Consumers' Utility Counsel Division, Governor's Office of Consumer Affairs:
Jim Hurt, Consumers' Utility Counsel
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On Behalf of Cox Enterprises, Inc.:
Peter C. Canfield

On Behalf of Georgia Public Communications Association, Inc.:
Newton M. Galloway

On Behalf of Globe Telecommunications, Inc.:
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Rebecca C. Stone

On Behalf of ICG Telecom Group, Inc.:
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On Behalf of Intermedia Communications, Inc.:
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Martha P. McMillin
David I. Adelman

On Behalf of MGC Communications, Inc.:
Peyton S. Hawes, Jr.
Kent F. Heyman
Richard E. Heatter

On Behalf of Multitechnology Services, L.P.:
Charles A. Hudak

On Behalf of NEXTLINK Georgia, Inc.:
Charles V. Gerkin, Jr.
Dana R. Shaffer

On Behalf of Sprint Communications Company, L.P.:
Carolyn Tatum Roddy
William R. Atkinson

On Behalf of Telecommunications Resellers Association:
Charles A. Hudak
Jeremy D. Marcus

On Behalf of Teleport Communications Group, Inc.:
Charles A. Hudak

On Behalf of WorldCom Technologies, Inc. (MFS/WorldCom):
John M. Stuckey, Jr.
Richard M. Rindler
Brian K. Sulmonetti

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ANALYSIS OF INDIVIDUAL CHECKLIST ITEMS

Checklist Item 1 (Interconnection)

Statutory Section

Section 271(c)(2)(B)(i) - Interconnection in accordance with the requirements of Sections 251(c)(2) and 252 (d)(1).

Interconnection is necessary so that local exchange customers served by one company are able to call customers served by a different company. This checklist item requires BST to allow requesting carriers to link their networks to BST's network for the mutual exchange of traffic. To fulfill the nondiscrimination obligation, BST must show that it provides interconnection at a level of quality that is indistinguishable from that which BST provides itself, a subsidiary, or any other party.

This checklist item incorporates the requirements of Sections 251(c)(2) and 252(d)(1). Section 251(c)(2) requires BST to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the network for the transmission and routing of telephone exchange service and exchange access. Such interconnection must be provided at any technically feasible point within BST's network; at least equal in quality to that provided by BST to itself or to any subsidiary, affiliate, or any other party to which BST provides interconnection; on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, in accordance with the agreement and the requirements of Sections 251 and 252.

Section 251(c)(6) requires BST to provide physical collocation of equipment necessary for interconnection unless the LEC can demonstrate that physical collocation is not practical for technical reasons or because of space limitations. In that event, the incumbent LEC is still obligated to provide virtual collocation of interconnection equipment.

Section 252(d)(1) provides that determinations by a State commission of the just and reasonable rates for interconnection shall be based on the cost of providing the interconnection, nondiscriminatory, and may include a reasonable profit.

Positions of Parties

Following are summaries of the positions submitted by interested parties:

BST argued that it has satisfied this requirement by providing for complete and efficient interconnection of requesting telecommunications carriers' facilities and equipment with BST's network.[22] In addition to the preferred mode of interconnection at the access tandem and end offices, BST offers interconnection at its local tandem as well. BST has adopted and committed to broad and detailed performance measurements and reporting, including measurement data on interconnection. In addition to interconnection through the purchase of facilities, BST also

[22] BST witness Milner, affidavit at 3820.

provides interconnection through physical and virtual collocation. The large numbers of collocation arrangements in place and in progress, together with the extent to which Competitive Local Exchange Companies ("CLECs") are interconnected to BST's network, demonstrates that BST has satisfied Checklist Item No. 1.

AT&T contended that BST does not provide access and interconnection at any technically feasible point equal in quality to the access BST provides itself.[23] AT&T has attempted to interconnect with BST's network in order to provide AT&T's Digital Link service ("ADL").[24] BST and AT&T established and agreed to a process for ADL interconnection across the BST region, and AT&T attempted to interconnect ADL in Georgia in accordance with this process. However, according to AT&T, the process did not work. AT&T's experience revealed that the methods and procedures used by BST are inadequate to provide nondiscriminatory access in the world of local competition. Further, BST also enforces requirements that make interconnection more costly than it should be, such as limiting CLEC interconnection at the access tandem. Although BST now states that it will offer access at the local tandem, it has not stated that it will send its traffic back to the CLEC via the local tandem. AT&T concluded that CLEC experience thus demonstrates that BST does not provide nondiscriminatory interconnection equal in quality to that which it provides itself.

CTAG argued that BST's interpretation of the FCC's rule for determining the demarcation point for Multiple Dwelling Units ("MDU") wiring is flawed. BST's basic position appears to be that its network extends all the way up to each individual unit in a MDU. CTAG asserted that the proper interpretation is that CLECs should have free access to telephone wiring on all MDU premises. According to CTAG, BST's current policy is unreasonable and discriminatory, thus BST has not satisfied Item 1 of the 14-point checklist.

CompTel contended that BST has failed to satisfy Checklist Item No. 1 because it has failed to provide interconnection with its network that is at least equal in quality to that provided by BST to itself, its subsidiaries, or any other party to which it provides interconnection as required by Section 251(c)(2)(C). The Commission's adoption of the Staff Recommendation specifying improvements that need to be made in BST's Operations Support Systems ("OSS") and establishing OSS performance standards also demonstrates that BST is not currently providing interconnection to competitors at parity with what it provides itself.

ICG stated that BST is not in compliance with this Checklist Item because it has refused to provide ICG with interconnection to BST's network for the transmission and routing of telephone exchange service at a technically feasible point within BST's network, at which BST provides interconnection to itself and other parties. Additionally, ICG showed that Teleport has filed a complaint against BST for refusal to negotiate for interconnection of their frame relay services.[25] Because of BST's refusal to interconnect with ICG at BST's Buckhead tandem, the Commission must find that BST is not in compliance with this Checklist Item.

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[23] GPSC Docket No. 7253-U, *BellSouth Telecommunications, Inc. Revised Statement of Generally Available Terms and Conditions*, Tr. 4445-47.

[24] AT&T Communications of the Southern States, Inc.'s witness Hamman affidavit at ¶ 28.

[25] GPSC Docket No. 6903-U, *Formal Complaint against BellSouth Telecommunications, Inc.* filed June 3, 1998.

Intermedia related that BST has failed to provide "cageless collocation" even though Intermedia has asked for this type of physical collocation for the past one and one-half years. BST is obligated to pay reciprocal compensation by the terms of its interconnection agreement, however, it has failed to comply with this portion of the interconnection agreements with the CLECs.

MCI asserted that BST has failed to provide interconnection that is equal in quality to what BST provides itself for the following reasons: (1) BST has mishandled cutovers in service;[26] (2) BST has failed to provide sufficient information concerning trunk blockage; (3) BST has delayed implementation of local tandem interconnection; and (4) BST has failed to provide selective routing on reasonable terms.

MediaOne stated that it has suffered blockage of calls from BST's network and has lost customers because of this blocking.[27] Because of these difficulties, BST agreed to a three-phase plan to prevent blocking of calls to MediaOne which consisted of installing a specified number of trunks by certain due dates. However, as of June 1998, BST had only installed a fraction of the trunks agreed to and had not provided a satisfactory explanation for the delay or firm alternate dates when the trunks would be available. MediaOne is also currently involved in an ongoing dispute with BST concerning the payment of reciprocal compensation for traffic to Internet Service Providers ("ISPs"). Accordingly, the Commission should hold that BST does not meet this Checklist Item because of BST's failure to meet its obligations with regard to reciprocal compensation and until its service quality problems are resolved.

MGC noted that it has experienced some difficulties with collocations, cage and transport provisioning, however, MGC is not contending that BST has failed to comply with the Interconnection requirement of Section 271(c).

Sprint urged that BST's application be rejected because it is based on rates which do not reflect the proper handling of Non-Recurring Charges ("NRCs") and does not offer geographically deaveraged prices for Unbundled Network Elements ("UNEs"). Sprint explained that unreasonably high NRCs constitute a barrier to entry because CLECs may not be able to pass through the full cost of the NRCs to their customers. Thus CLECs will likely have to recover at least part of the cost of the NRC through the slim margins on monthly charges that CLECs receive. Sprint also noted that Incumbent Local Exchange Carriers ("ILECs") should geographically deaverage prices for network elements because switching and transport costs are a function of traffic density and should be deaveraged to reflect multiple cost bands. Sprint also stated that the terms and conditions governing a CLEC's access to UNEs, including the rates for such access, must be carefully established to ensure that they allow for sustained and effective competition and it is Sprint's opinion that this is not the case with BST. Therefore, Sprint requested that the Commission determine that BST has not complied with this Checklist Item.

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[26] GPSC Docket No. 7253-U, MCI witness Martinez, affidavit at ¶ 6.

[27] Comments of MediaOne in GPSC Docket No. 7253-U, May 22, 1998, Appendix A, Armitage letter, May 1, 1998.

TRA alleged that BST is not in compliance with this Checklist Item because: (a) BST is not providing interconnection at parity; (b) BST is unlawfully withholding payments for interconnection compensation; (c) BST has not complied with the Commission's performance criteria; and (d) BST's OSS have not been sufficiently implemented.

TCG stated that BST has failed to provide interconnection services to TCG and to other CLECs at parity. This is evident from BST's failure to provide TCG with frame relay interconnection, physical collocation at any technically feasible point, and physical collocation on rates, terms and conditions as mandated by the Commission. TCG further stated that BST has refused to provide performance reports and data for BST and the CLECs that demonstrate that BST is providing interconnection services at parity throughout Georgia.

WorldCom related that the Commission's final orders in the Performance Standards and OSS dockets have only recently been released and not enough time has passed for the Commission to determine if BST is meeting the performance standards and complying with the Commission's decisions. Additionally, WorldCom urged the Commission to develop procedures to address the apparent increasing shortage of collocation space. It would be necessary for such procedures to require BST to notify the Commission if there is no physical collocation space available and to provide a mechanism for the Commission to make a determination as to the lack of space in an expedited manner. It was WorldCom's opinion that until BST has a proven track record of compliance with the Commission's Orders in Docket Nos. 7892-U and 8354-U; has adequate procedures in place to address denials of collocation requests; and deaverages the rates for UNEs, the Commission should find that BST has not complied with Checklist Item No. 1.

Commercial Usage and Compliance

General Description

BST provides for interconnection at the access tandem, end offices, and local tandem. BST also provides interconnection through physical and virtual collocation.

BST's Statement of Generally Available Terms and Conditions conditionally approved in Docket No. 7253-U on August 6, 1998 concluded that BST was providing interconnection through virtual collocation, physical collocation and interconnection via purchase of facilities. The SGAT states that interconnection is currently available at the following points:

a. Line-side of local switch;
b. Trunk-side of local switch;
c. Trunk interconnection points for tandem switch and local tandem switch;
d. Central office cross-connect points;
e. Out-of-band signal transfer points.

BST will also provide local interconnection at any other technically feasible point, including meet point interconnection arrangements. Requests for interconnection at other points may be made through the Bona Fide Request process set out in Attachment B of the SGAT.[28]

[28] SGAT filed August 6, 1998, Section I.A.(1), (2).

To the extent a CLEC provides intraLATA toll service to its customers, it may be necessary for it to interconnect to additional BST access tandems that serve end offices outside the local calling area.[29]

Detailed guidelines for collocation are set out in BST's Handbook for Collocation, which has been incorporated as part of the SGAT pursuant to the Commission's decisions in Docket No. 7253-U. As of August 1, 1998, BST has completed 43 virtual and 25 physical collocation arrangements.[30]

In compliance with the Commission's July 22, 1998 Order (page 46 of 61) in Docket No. 7253-U, BST modified its SGAT to provide that it will notify the Commission in writing when it determines there is insufficient space available at a certain location to accommodate a request for physical collocation. Any reference to a term, rate or condition involving collocation must be incorporated into the Revised SGAT in order for that term, rate or condition to be effective; and any proposed change must be specified in BST's 30-day notice to the Commission.[31]

BST's report of August 25, 1998, in relation to Docket No. 5778-U, provided information concerning Local Service Indicators. The report reflected that as of August 1, 1998, approximately 46 Georgia CLECs were providing an estimated 111,412 local service lines in the State to business and residential customers. Four CLECs were provisioning service exclusively over their own facilities, 14 were provisioning both facility-based and resold services in combination, and 28 were serving customers on a resale-only basis. It is estimated that 25 CLECs provide approximately 61,467 local residential lines and 41 CLECs provide approximately 49,549 local business lines. Also reported was the fact that approximately 2,807 unbundled loops and 59,202 local interconnection trunks were in service as of August 1, 1998. It was also noted that 42 of the 46 CLECs active in Georgia had completed orders for the provisioning of BST-provided retail services and had provisioned approximately 92,029 resold local exchange service lines with over 250,000 additional resold retail telecommunications service features.

CLEC responses to the Commission's Local Service Indicator Data Requests in Docket No. 5778-U reflect that as of August 1, 1998, competing carriers were serving 49,696 customers utilizing 111,757 access lines. This data reflects responses from 39 of 77 (51 percent) of the certified CLECs in the state. The disparity revealed, in comparing the BST data with that filed by the CLECs, is largely attributed to the fact that only 51 percent of the CLECs certified by the Commission responded to the request for information.

Following is a summary of information collected by the Commission in Docket No. 5778-U from CLEC responses to the Commission Staff's data requests, as well as information submitted by BellSouth, regarding key indicators of competitive local service activity.

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[29] SGAT filed August 6, 1998, Section I.A.(4).

[30] August 1998 BST performance measurement data, filed in GPSC Docket No. 7892-U.

[31] SGAT filed August 6, 1998, Section I.C.(1).

Summary of D-5778-U Data Local Service Indicators Data Request

D-5778-U Data Requests #2	CLEC Responses*	BST Responses**
1. No. of Customers of CLECs	49,696	Not Available
2. No. of Access Lines used by CLECs	111,757	111,412
3. No. CLECs providing Residential	14	25
a. No. over Own Facilities	3	4
b. No. over Combined Facilities	2 companies/ 220 customers	4 companies/ 3,342 lines
c. No. served by Resale	39,693 customers	58,125 lines
f. Total No. of Residential Lines	40,542	61,467
4. a. & b. No. providing Business	18	18
c. No. Business Customers over Resold	8 Companies/ 3,610 customers	41 companies/ 33,508 lines
f. No. of Business lines of CLECs	65,156	49,549
5. UNEs purchased	6 Companies/ 5,150 Units	18 CLECs/59,202 Local Interconnection Trunks
6. No. of Retail Services Being Resold	12 Companies/630 Services	42 Companies/92,029 Resold Lines & 250,000 Add'l Service Features

* Summary of 5778-U Data Request 2, July 31, 1998 Report, 51% of CLECs responding.
** Affidavit of BellSouth, Local Service Indicators Data Request, D-5778-U, Aug. 25, 1998.

Cost

The Commission established rates for interconnection based on a Total Element Long-Run Incremental Cost ("TELRIC") methodology in Docket No. 7061-U, in accordance with Section 252(d)(1) of the Act (see Docket No. 7061-U Order, Appendix A, Sections C and D). These rates are also reflected in Attachment A of BST's SGAT. For example, the recurring rate for End Office Interoffice Trunk Port – Shared, Per MOU, is $0.0001564. The recurring rate for Tandem Interoffice Trunk Port – Shared, Per MOU, is $0.0002126. The recurring rate for Local Channel - Dedicated - 2-Wire Voice Grade is $13.91.

Collocation rates as established by the Commission in Docket No. 7061-U (see Docket No. 7061-U Order, Appendix A, Section H) are reflected in BST's Collocation Handbook, which is also incorporated as part of the SGAT pursuant to the Commission's decisions in Docket No. 7253-U. For example, the non-recurring rate for Physical Collocation – Space Preparation (minimum 100 sq. ft., additional space calculated in 50 sq. ft. increments) is established at $100 per square foot. BST may not alter its Collocation Handbook without filing with the Commission.[32]

[32] BST filed an amendment to the Collocation Handbook on September 21, 1998. This is not specifically addressed herein because of the recency of its filing.

OSS

BST provides CLECs electronic options for the exchange of ordering and provisioning information. The Exchange Access Control and Tracking System ("EXACT") is for service requests involving interconnection trunking and unbundled network elements.[33]

In Docket No. 8354-U, the Commission ordered BST to provide business rules to CLECs for LEO, LESOG, SOER, and Version 7.0 of EDI. The Commission also ordered BST to implement e-mail capabilities for pre-ordering and ordering with respect to complex UNE orders. In addition, the Commission directed BST in conjunction with CLECs to present the issue of mechanized complex orders to the Ordering and Billing Forum ("OBF").[34]

Performance Measurements

The Commission's Order issued in Docket No. 7892-U adopted comprehensive performance measurements associated with BST's interconnection requirements. A brief summary of relevant standards adopted, including a definition of each, and the actual data reported are contained below.

Order Completion Interval Distribution & Average Interval - No Dispatch[35]
(Days)

Definition: Average time from issue date of service order to actual order completion date.

	March 1998	April 1998	May 1998	June 1998
CLEC	38	19	26	24
BST	18	37	27	31

Held Order Interval Distribution and Mean Interval[36]
(Days)

Definition: Average time orders continue in a "non-complete" state for an extended period of time.

	March 1998	April 1998	May 1998	June 1998
CLEC	0	0	0	0
BST	0	13	44	36

[33] BST SGAT, Section II.B(6)(b).
[34] Joint OSS Status Report, GPSC Docket No. 8354-U, August 10, 1998.
[35] BST filed performance measurement data for March and April 1998 in Docket No. 7253-U as Ex. WNSPM-1, on June 4, 1998. BST filed performance measurement data for May and June 1998 in Docket No. 7892-U on April 6, 1998.
[36] *Id.*

Percent Missed Installation Appointments[37]
(Percent)
Definition: Percent of orders where completions are not done by due date.

	March 1998	April 1998	May 1998	June 1998
CLEC	3.84 %	0	4.02 %	0
BST	7.81 %	7.0 %	3.24 %	8.14 %

Provisioning Troubles within 30 days of Service Order Completion - Installation[38]
(Percent)
Definition: Measures the quality and accuracy of completed orders.

	March 1998	April 1998	May 1998	June 1998
CLEC	0.06 %	0	0	0
BST	0.39 %	0	0.8 %	0.06 %

Customer Trouble Report Rates[39]
(Percent)
Definition: Initial and repeated customer direct or referred troubles reported within a calendar month (where cause is not in carrier equipment) per 100 lines/circuits in service.

	March 1998	April 1998	May 1998	June 1998
CLEC	0.61 %	0.17 %	0.16 %	0.03 %
BST	0.15 %	0.13 %	0.16 %	0.17 %

Maintenance Average Duration[40]
(Total Hours)
Definition: Average time from the receipt of a trouble until the trouble is cleared.

	March 1998	April 1998	May 1998	June 1998
CLEC	-	-	1.46	15.94
BST	-	-	1.49	5.55

[37] *Id.*
[38] *Id.*
[39] *Id.*
[40] *Id.*

Trunk Group Service Summary[41]
(Percent)

Definition: Measures the total number of trunk groups, number of trunk groups measured, and the number of trunk groups which exceed the blocking threshold during their busy hours.

	3/23 – 4/24, 1998	4/27 - 5/22, 1998	5/25 - 6/19, 1998
CLEC Aggregate	3.1 %	1.8 %	2.6 %
BST Local Network	5.4 %	3.8 %	3.3 %

Collocation[42]
April 1997 – June 1998

	Physical		
	Avg. Response Time (Days)*	Avg. Arrangement Time (Days)**	Percent Due Dates Missed***
CLECs Aggregate	26	133.4	15.4 %

* Measures the average time from the receipt of a complete and accurate Collocation Request (including receipt of Application Fees) to the date BST responds in writing.
** Measures the average time from receipt of the complete and accurate Firm Order (including Fees) to the date BST completes the Collocation Arrangement (called "BST complete date"); assumes space, construction and network infrastructure complete.
***Measures the percent of collocation space requests, including construction and network infrastructure, that are not complete on the due date.

A review of the performance measurement data reveals that BST is provisioning and maintaining interconnection arrangements for CLECs in a manner consistent with that which it provides itself. Specifically, regarding Order Completion Intervals, March through June data reflects an average installation interval of 27 days for CLECs and 28 days for BST. Percent missed installation appointments on average are 2% for CLECs and 7% for BST. Customer Trouble Report rates for CLECs on average are 0.24% compared to 0.15 percent for BST. Trunk Blockage data reflects an average CLEC trunk exceeding the blocking threshold is 3%, and similarly 4% for BST.

The benchmark intervals for responding to requests for and installing collocation are addressed in BST's SGAT. There are two intervals: (1) Time received initial request, to response [20 days Virtual, 30 days Physical]; and (2) Time from Valid Order to Completion [120 days]. Performance measurement data submitted indicated that BST is responding to requests for collocation and is completing collocation requests in a timely manner.

Discussion

[41] *Id.*
[42] *Id.*

On January 22, 1997, BST filed its original Statement of Generally Available Terms and Conditions under Section 252(f) of the Telecommunications Act of 1996 with this Commission. Since that time, many hearings have been held in the many dockets directly related to this Section 271 filing. Much progress has been made in the development of OSS interfaces for interconnection (Docket No. 8354-U), cost-based rates have been established for the provisioning of UNEs, collocation, etc. (Docket No. 7061-U), performance measurements and reporting have been initiated (Docket No. 7892-U), and 255 interconnection agreements have been approved by this Commission between BST and CLECs.

As of August 1998, nine complaints[43] by CLECs concerning interconnection, collocation, and reciprocal compensation have been filed with the Commission. It is further noted that on November 4, 1997, the Commission established Interim Procedures for the Hearing and Resolution of Complaints Arising from Interconnection Agreements. Hearings have been held in seven of the complaints filed with decisions rendered in five.

Competing carriers must be able to choose any technically feasible method of interconnection at a particular point.[44] Technically feasible methods of interconnection include, but are not limited to: physical collocation and virtual collocation at the premises of an incumbent LEC, and meet point interconnection arrangements.[45] The incumbent LEC must submit to the State commission detailed floor plans or diagrams of any premises where the incumbent LEC claims that physical collocation is not practical because of space limitations.[46] The Commission is in receipt of five collocation waiver requests and rulings will be made on these requests in the immediate future. Each request received also includes BST's proposed plan for creating additional space by either an existing switch replacement, or expanding the existing space limitations through a building addition.

In Docket No. 6537-U,[47] the Commission approved the provision of two-way trunking between the CLEC and BST as well as the manner in which trunks can be used for receiving traffic. The Commission also approved methods and procedures that the CLECs and BST can use to remedy trunk blockage problems and periodically the parties are to exchange technical descriptions and forecasts of their interconnection and traffic requirements to ensure that customers may complete traffic.[48]

The FCC Common Carrier Bureau staff believes that a BOC must have processes and procedures in place to ensure that physical and virtual collocation arrangements are available on terms and conditions that are "just, reasonable, and nondiscriminatory" in accordance with Section 251(c)(6). Useful information to determine compliance with this checklist item is the

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[43] Docket No. 8196-U, MFS; Docket No. 8899-U, ICG; Docket No. 9281-U, e.spire; Docket No. 6903-U, TCG; Docket No. 8713-U, LTD; Docket No. 6865-U, MCImetro; Docket No. 6801-U, AT&T; Docket No. 9400-U, Tel-Save; Docket No. 9414-U, MGC.

[44] FCC *Local Competition First Report and Order* at para. 549.

[45] 47 C.F.R. Section 51.321; *Local Competition First Report and Order* at para. 553.

[46] 47 C.F.R. Section 51.321(f); *Local Competition First Report and Order* at para. 602.

[47] Docket No. 6537-U, MCI Metro, Order issued August 12, 1996, Exhibit A, pg. 5.

[48] Docket No. 6537-U, MCI Metro, Order issued August 12, 1996, Exhibit A, pg. 7.

length of time required for an applicant to process and implement requests for both physical and virtual collocation.[49]

BST's Collocation Handbook, which is incorporated in BST's SGAT, provides the rates, methods and processes which are necessary to ensure that collocation is available to CLECs in a manner that allows them to have a meaningful opportunity to compete.

Recommended Modification

Since the Commission issued its Order on BST's Revised SGAT on January 15, 1998, BST and the industry have made advancements relative to interconnection for local exchange service competition. The Commission Staff notes that parity is of utmost importance in this checklist item as the direct interconnection of the parties is the main link of all services that are to be provided. As of the date of this Report, sufficient information has been furnished that proves that BST is providing interconnection at parity. An endorsement by the Commission must be contingent upon the monitoring of the OSS progress reports in Docket No. 8354-U, the Performance Measurement Reports in Docket No. 7892-U, and BST's compliance with the provisions outlined in the Commission's Order in Docket No. 7253-U dated July 22, 1998.

Recommendation

Recommend.

[49] *See BellSouth South Carolina Section 271 Order* at paras. 200-02.

STATE OF ALABAMA

ALABAMA PUBLIC SERVICE COMMISSION

MONTGOMERY, ALABAMA

IN RE: BELLSOUTH TELECOMMUNICATIONS, INC.,

DOCKET NO. 25835

VOLUME II

EXCERPT FROM THE PROCEEDINGS taken before the Alabama Public Service Commission in the above-referenced matter on Tuesday, October 20, 1998, commencing at 8:30 a.m. in the hearing room of the Alabama Public Service Commission, the RSA Union Building, 100 North Union Street, Room 904, Montgomery, Alabama, before Amy L. Maddox, Certified Shorthand Reporter and Notary Public in and for the State of Alabama at Large.

MONTGOMERY REPORTING SERVICE
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companies, CLECs, and BellSouth, should make their listings available to each other. The sole reason we don't right now is because of the provisions in two interconnection agreements. That's the only reason we don't provide those listings.

Q. In light of the FCC order, Mr. Milner, does BellSouth now plan to make those listings available?

A. Well, you know I'm no lawyer, but here is the dilemma that I think is going to have to be resolved, is that we have an interconnection agreement that says we can't provide those. We've got an FCC order that says we ought to, and whether or not the FCC's order preempts any interconnection agreement is something I don't know the answer to. But, in light of the FCC's order, we would hope that in Alabama these two companies would agree to amend their interconnection agreement such that we could provide their

listings.

Q. Is it fair to say, then, at least of this moment in time, BellSouth has not made a decision to disclose those listings to CLECs here in Alabama?

A. At this moment, yes.

Q. So as of this moment in time, we're in exactly the same position as you were in in Louisiana with the FCC?

A. No. No, I won't agree with that. We're in a different position because the FCC has stated its preference that we provide all listings, and I think the other parties to the interconnection agreement have also read the FCC's order, and, again, we hope they will come to the table and agree to allow us to provide MCI and others their listings. Now, again, what legally can be done? Can that portion of the interconnection agreement be set aside? I don't know the answer to that. You know, but BellSouth's preference is for those two

remaining parties to say, you know, we're willing to renegotiate that part of our agreement, set aside that provision, and provide MCI and others those listings. We're certainly willing to do it.

Q. Mr. Milner, you said that the FCC expressed its preference for full disclosure of the listings. In fact, that was the reason given for rejecting your application, wasn't it?

A. Yes, but there was also no order to do it. It just says, this is the reason we're rejecting your order.

MR. O'ROARK: Thank you. I have no further questions.

CROSS-EXAMINATION

BY MR. CANIS:

Q. Hi, Mr. Milner. I'm John Canis for Intermedia. My questions are going to be focusing on two documents, and I'd like to ask you to have them available. This is the BellSouth collocation handbook, and in particular, the network diagrams

and the last few pages of that document, and also the price list from the Alabama SGAT.

A. If you'll give me just one moment.

Q. In particular, we'll be starting with page 29 of the collocation handbook.

A. Yes, I'm there.

Q. And that's the example of a cross-connection schematic for physical collocation?

A. Yes, that's right.

Q. Going right to the top of that document, if you have that black oblong in the middle of the top part of that diagram, right underneath that, you have a little box labeled 10 mux. That is a DS0 to DS1 multiplexer?

A. Yes.

Q. Is this available currently as an unbundled network element?

A. Well, let me see how that multiplexer is used in the case we're looking at here. Yes, to the extent that that multiplexer

is used, for example, to multiplex various unbundled loops that a CLEC might have taken from BellSouth -- Mr. Varner talked about this yesterday -- that type of equipment could be used for that purpose.

Q. Is this reflected in the SGAT?

A. I don't know that it names it specifically as a 10 multiplexer. It talks about two or three forms of multiplexing, one called loop channelization, another called loop concentration. So they are referenced by that term, yes.

Q. Well, let me direct you to page 1 of the price list.

A. I'm sorry. Page 1, did you say?

Q. Yes. And looking at the item, it's a little more than halfway down the page. It's labeled cross-reference A.3.1.

A. I'm sorry. For some reason, page 1 is missing out of my price list. There it is. Yes.

Q. Is that the same thing as that 10 mux that we were just discussing?
A. Well, a multiplexer is a piece of gear that's used for a variety of different reasons. It may not be in this case, because the multiplexer that's shown there is ultimately attached to a fast packet switch, it shows.
Q. On the digital loop channelization system -- or the loop channelization system A.3.1 price list, that's a digital loop carrier. Now, that's a specific kind of multiplexer that's different, and if I was to ask for a plain vanilla 01 mux, that would be a different piece of equipment; isn't that true?
A. Well, they perform the same functions, but we call them by different names, that's correct.
Q. The A.3.1 loop channelization system's listing listed in the price list has a recurring charge of $309.38. Are you aware that BellSouth currently offers as

a tariffed service in its interstate access tariff 01 multiplexing at 185 dollars a month?

A. No, I'm not aware of that. First of all, I'm trying to make a bridge between prices for unbundled network elements and the topic I thought we were talking about, which is physical collocation.

Q. And what I'm trying to get to is to see if the multiplexer that, as far as I can see, is the only multiplexing function listed in the SGAT is the bottom line when I need to perform a simple 01 multiplexing in the end office, or, if, in fact, it provides extra capabilities that I do not require?

A. Well, if you're talking about the element there on A.3.1, it is that device that provides for multiplexing of individual loops that could be then sent on to the CLEC's premises. Now, back to the exhibit that you pointed me to, it says at the very top, "Example

Cross-Connection Schematic for Physical Collocation." So this document on page 29 of the collocation handbook is meant simply to show the types of cross-connections between and among equipment in BellSouth's central office and the physical collocation arrangements. It doesn't talk about, you know, the equipment functionality, and is it the same or different. It doesn't talk about cost. It doesn't talk about any of those things. This schematic is simply intended to show how cross-connects are made between equipment that sits out on the floor in BellSouth's central office and the equipment that sits inside the physical collocation arrangement.

Q. Well, my question, then, is can I get a piece of equipment that performs this 01 multiplexing function that you identify in this schematic at a cheaper rate than the loop channelization system that you

have listed in the SGAT?
A. You know, we're into cost and price, and I'm not an expert on that matter. If there's a new device that Intermedia is interested in, as we've talked at length about, there's a bona fide request process that would handle such an inquiry.
Q. I thought that we just said that there's a 01 mux, a plain vanilla piece of equipment that is not a digital loop carrier system that is currently deployed and it's readily available; is that the case?
A. I don't know that we use that multiplexer as -- I don't see that multiplexer named, at least on this page, and it's certainly not what we're talking about here as Element A.3.1.
Q. Is there any technical reason why what I'm characterizing as a plain vanilla 01 mux could not be used in this diagram?
A. Could not be used in what diagram?

Q. In the schematic for the physical collocation that we're discussing.
A. I don't know, and the answer to that question would be determined through the bona fide request process.
Q. If you follow that line going from that 10 mux, we have a box identified as a fast packet switch. Could this be a frame relay switch or an ATM switch?
A. That's one use of the term "fast packet," yes. Again, this document -- or this schematic is used not to describe equipment functionality but simply to show how cross-connects are made from one part of the central office to the physical collocation arrangement.
Q. Now, you identify on that fast packet switch a fast packet port. Is that currently available as an unbundled network element from BellSouth?
A. Not to my knowledge, no.
Q. Does BellSouth have any position either for or against making that available as a

UNE?

A. I don't know the answer.

Q. I'd like to refer you to the boxes on the left side of that diagram, and these are the collocator equipment boxes, and there are just three different boxes there. I assume they should reference three collocated arrangements.

A. No, that's not correct. It just says that there are three different types of equipment that might be placed inside a collocation arrangement and that they would have different styles of cross-connections, which is what the topic of this schematic is.

Q. Okay. Let's assume that there's another collocation arrangement immediately adjacent to the one that's listed in this diagram, and let's say that's Intermedia's interconnection cage. The cage that we have here in the diagram, let's say, is DeltaCom's. Let's say I want to cross-connect some of my

equipment in my Intermedia cage to some equipment in the DeltaCom cage. Can I do that?

A. You can do that. BellSouth provides the cross-connect material, if you will, between those two collocation arrangements.

Q. Can I get my own technicians to perform that cross-connect?

A. Well, let's talk about what you mean by cross-connect. If you mean placing of one wire to one collocation arrangement to another, then the answer to that is no.

Q. Any reason for that?

A. The reason for that is that to place such cross-connects would have the person doing that work outside the physical collocation arrangement of either of those two parties and would be in the middle of space that houses working equipment operated by BellSouth. It's a network reliability issue.

Q. My understanding is all collocation arrangements are in a -- physical collocation arrangements are in a separate room that's segregated from BellSouth equipment.

A. They are individually segregated from BellSouth equipment, but they also may be physically separated from each other. In other words, there may be one arrangement on the northeast corner of the building and another one on the southwest corner of the building.

Q. Let's get the --

MR. RANKIN: I'm sorry to interrupt, but it is 11:45, and I believe per your instructions yesterday at the close of the hearing day, Mr. Milner was supposed to be released at 11:45 to make his commitment.

JUDGE GARNER: I allowed for a 15-minute interval of error, so you need to wrap up very

quickly.

MR. CANIS: Yes, sir, we'll do it.

JUDGE GARNER: There might be redirect.

Q. Let's assume we have a collocation space the size of this room where collocators are collocated, either cageless or cage collocation arrangements, and this common area is, in fact, open to all collocators. Can I string that cross-connection between the two cages myself?

A. No.

Q. On the virtual collocation arrangements, you indicate that the prices for those arrangements are taken out of BellSouth Federal Tariff FCC Number 1. Has this Commission ever reviewed those rates and decided that they were compliant with the pricing standards under Section 252 of the Act?

A. I don't know whether they have or not.

MR. CANIS: I'll wrap up, and thank

NEW YORK STATE PUBLIC SERVICE COMMISSION

IN THE MATTER OF

Case 98-C-0690 - Proceeding on Motion of the Commission to Examine Methods by which Competitive Local Exchange Carriers can Obtain and Combine Unbundled Network Elements.

MINUTES OF TECHNICAL CONFERENCE held at the Offices of the Commission, Core 4, Swan Street Building, Albany, New York, on Monday, the 29th of June, 1998, commencing at 10:35 a.m.

BEFORE: Eleanor Stein,
Administrative Law Judge

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this conference.

MR. CALABRO: It's an offering of local links in combination with interoffice transport that will enable the competitive carrier to provide switched local exchange and associated exchange access service. It is not a replacement for interstate or intrastate special access services.

BY MR. GILLAN:

Q Okay. If I wanted to use a DS-1 link and DS-transport to provide my customer data services, would that be acceptable?

A It's my understanding that, if what you're doing is winning the local customer and providing local exchange service to the customer, this extended link would be useful for them.

Q All right. This really wasn't a legal question. If I wanted to offer the customer data service, can I do that, using this product, this offering?

A If you have the local customer.

Q If I don't have a local customer, if I just want to buy this network element and meet this guy's data needs, can I do it?

A It is my understanding if you don't have the local customer, you wouldn't have the opportunity to use UNEs to.

MR. DAVIS: Can I ask a question related?

JUDGE STEIN: I'd like to finish with Mr. Gillan.

MR. GILLAN: Can I cede one question to my colleague?

JUDGE STEIN: All right.

BY MR. DAVIS:

Q Can the service be used to provide local packet switching.

A Can it? Yes.

MR. GILLAN: I'm back to where I was, though.

Q If I want to offer a data service and you say that I have to provide a local service, who is going to make the decision of what I am doing and what is the procedure envisioned for this offer to determine whether or not the use I put this element to is acceptable?

A The limitations that may exist would be set out in the tariff filing, and the tariff filing, if approved by the Commission, would put obligations on

you the purchaser to abide by them.

Q And how clear will those limitations be? Is this a clear limitation? I don't mean it facetiously although probably cynically.

A It was to me because it was a limitation of what my understanding our commitment to do the combination of elements included, and I'm probably getting dangerously close to a legal answer. I'm much like Mr. Gillan, not qualified to do that.

It is also my understanding of what the FCC's rules implementing the Act in the unbundled obligations said that to use UNEs, you had to win the local exchange customer.

Q Are you aware that FCC rules say you are allowed to purchase the use of network element to provide any work to provide network service?

JUDGE STEIN: Mr. Gillan, that is definitely legal argument. You can brief that. We're trying to clarify exactly what the offering is and then obtain discussion on that issue. This is clarification and I think you provided some clarification.

MR. GILLAN: I'm trying to figure out a way to ask the question to figure out what this

limitation means without taking him through every potential service. He thinks he has a great question.

JUDGE STEIN: I'd like to go off the record for a minute.

(Discussion had off the record.)

Back on the record. After some off the record to clarify that issue, Mr. Falcone, do you want to rephrase the question, word that availability?

MR. FALCONE: I'll attempt to restate it as I did it.

Q E.spire is a company that today has an ATM switch in New York City but do not have a Lucent FE voice switch feature. Accordingly, if e.spire wanted to bring a customer onÄÄjust the clarify, the customer has a three-year contract for local service and can't get out of his local contract with Bell Atlantic. He wants to be able to purchase a mix of interstate and local data services from e.spire; it is not atypical in terms of a customer today. It is not atypical of a customer today for e,spire may have a 90/10 interstate local mix on the data side. So my question is can I sign up that customer who clearly

will have some local data traffic without signing him up for traditional local voice telephony using the extended link product that you put out here today?

A Big long, lot of complex areas to the question. To the end portion of the question, no, but to the front portion I would assume any customer who had Bell Atlantic with a contract could get out of that contract, probably may choose not to but they certainly would be available to e,spire if they chose to get out of it.

Q How much does that cost?

A Under the terms of the contract.

MR. FALCONE: You're right. I want to say without further clarification I'm not sure that my company's needs will be complete by this method.

MR. GILLAN: One last question.

Q I'm notÄÄif you can't answer this today, that's fine. Given the fact this would appear to limit the entrants to something called switched local exchange and associated switched exchange access service, do you have a definition of those two things you could direct me?

A Switched local exchange service is

STATE OF ALABAMA

ALABAMA PUBLIC SERVICE COMMISSION

MONTGOMERY, ALABAMA

IN RE: BELLSOUTH TELECOMMUNICATIONS, INC.,

DOCKET NO. 25835

VOLUME I

EXCERPT OF THE PROCEEDINGS taken before the Alabama Public Service Commission in the above-referenced matter on Monday, October 19th, 1998, commencing at 9:45 A.M. in the hearing room of the Alabama Public Service Commission, Room 904, RSA Union Building, 100 Union Street, Montgomery, Alabama, before Ricky L. Tyler, Certified Shorthand Reporter and Notary Public in and for the State of Alabama at Large.

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that the offering that BellSouth has in its SGAT is nondiscriminatory in any manner or that we're not making access available to Intermedia, then perhaps those questions would be relevant, but asking what they can and can't do, I assume, has some relation to Intermedia's business plans, but I don't know the relationship it has to this Commission's review of this SGAT under the Act.

MR. CANIS: Your Honor, that was my last question on multiplexing.

Q. I do have one final question on transport. My understanding is the SGAT does list transport as a separate unbundled network element. Can you explain to me, Mr. Varner, what that -- where that transport takes place, from what location to what location?

A. Well, it kind of depends on where the CLEC needs it to go from, what the end points are. It could be from their premises to the serving wire center. It could be from their premises to any wire center, you know, that BellSouth has. So the transport -- it would depend on where the CLEC needs for it to go from its premises.

Q. Thank you. And that's what I wanted to clarify, that the transport is not just from one BellSouth central office to another BellSouth central office, but may also be from a BellSouth central office to a CLEC designated point of presence?

A. I don't know if it's a point of presence; it's the CLEC's premises, wherever that is.

Q. And it does not have to be in a BellSouth central office?

A. No, not located inside of a BellSouth central office. The element of transport called local channel goes from the CLEC's

premises to the nearest BellSouth office that would normally serve that premises. And then we have interoffice transport that goes between the BellSouth wire centers from that point to whatever wire center the CLEC ultimately wants to go to.

Q. And just the final line of questioning here. In your SGAT you refer to SL-1s versus SL-2 loops, I guess that's service level one and two?

A. Yes.

Q. Could you explain what differentiates those two?

A. Yes, there's a couple of basic differences. The service level two is a designed loop. It comes with a design layout record that gives you the design specifications for it. It has test points installed on the loop. It comes with manual order coordination associated with it. Those are really the three major differences between the two. SL-1